

1 **LENARD E. SCHWARTZER**
2850 South Jones Blvd, Suite 1
2 Las Vegas, NV 89146
(702) 307-2022

3 TRUSTEE
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8 **UNITED STATES BANKRUPTCY COURT**
9 **DISTRICT OF NEVADA**

10 In re) Case No. BK-S 14-13152 ABL
11 NEWHOUSE, BLYNTHIA JOYCE)
12) IN PROCEEDINGS UNDER CHAPTER 7
13 Debtor.) TRUSTEE'S MOTION TO SELL ESTATE'S
14) INTEREST IN VARIOUS OIL/GAS
15) ROYALTIES
16) Date: November 13, 2014
17) Time: 11:00 a.m.
18) Place: Foley Bldg., Third Floor

16 Lenard E. Schwartzter, Chapter 7 Trustee (the "Trustee"), hereby moves this court for an
17 Order authorizing the Trustee to sell the estate's interest in various oil/gas royalties, and alleges:

18 1. Debtor, BLYNTHIA JOYCE NEWHOUSE, aka Bynthia Joyce Rabb, aka Cynthia J.
19 Newhouse, aka Cynthia J. Rabb, filed for relief under Chapter 7 of the United States Bankruptcy
20 Code on May 2, 2014, and LENARD E. SCHWARTZER is the appointed and acting trustee in this
21 matter.

22 2. Debtor's assets include various oil/gas royalties, including, but not limited to, those
23 scheduled on Exhibit "1", attached hereto.

24 3. To date, the Trustee has collected a total of \$572.97 from the various oil/gas royalties.

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1 4. The Trustee has received one offer to purchase the estate's interest in the oil/gas
2 royalties as follows:

3 **McCulliss Oil & Gas Inc.**

\$16,000.00

4 A copy of said offer is attached as Exhibit "2", attached hereto.

5 5. The Trustee is of the information and belief, and thereon alleges, that the offer of
6 \$16,000.00 is reasonable and acceptance of the offer is in the best interest of the estate.

7 6. The Trustee is unaware of any claims secured by the asset to be sold. If any creditor
8 alleges that they have a perfected secured lien against the asset, the Trustee would suggest that said
9 lien be deemed transferred to the proceeds of the sale pending further order of this court.

10 7. The Trustee requests that in the event there is a higher offer on the asset, that the
11 Trustee be given authority to sell the asset to the highest bidder under similar terms and conditions.

12 **MEMORANDUM OF LAW**

13 The duties of a trustee in a Chapter 7 filing are enumerated in 11 U.S.C. 704, which provides
14 that:

15 The trustee shall--

16 (1) collect and reduce to money the property of the estate for which
17 such trustee serves, and close such estate as expeditiously as is
18 compatible with the best interests of parties in interest.

19 11 U.S.C. §363(b)(1) provides that:

20 The trustee, after notice and a hearing, may use, sell, or lease, other
21 than in the ordinary course of business, property of the estate.

22 **CONCLUSION**

23 WHEREFORE, Trustee prays for an order authorizing him to (1) sell the estate's interest in
24 the oil/gas royalties, free and clear of any and all liens encumbrances, to McCULLISS OIL & GAS
25 INC. for \$16,000.00 under the terms and conditions set forth herein, or (2) accept any higher offer on
26 the asset and sell the asset to the highest bidder under similar terms and conditions, and (3) execute
27 any and all documents necessary to effectuate the sale.

28 Dated: October 15, 2014


LENARD E. SCHWARTZER
Trustee

DECLARATION OF TRUSTEE

I declare, under penalty of perjury, that the foregoing is true and correct, to the best of my knowledge, information and belief.

Dated: October 15, 2014


LEONARD E. SCHWARTZER, Trustee

Revenue Account

COMSTOCK OIL & GAS, LP
5300 TOWN & COUNTRY BLVD
SUITE 500
FRISCO TX 75034
(972) 668-8800

COMERICA BANK
32-75 / 1110

Check No	Check Date	Check Amount
0000520422	08/29/2014	*****\$56.92

PAY *Fifty Six Dollars and Ninety Two Cents*

Void After 180 Days

TO
THE
ORDER
OF
BLYNTHIA NEWHOUSE

David Se...
Treasurer

THIS DOCUMENT HAS A COLORED FACE AND CONTAINS A WATERMARK THAT IS VISIBLE WHEN HELD TO THE LIGHT. ABSENCE OF THESE FEATURES INDICATES A COPY.

⑈0000520422⑈ ⑆111000753⑆ 1881118515⑈

PLEASE DETACH AT PERFORATION ABOVE

PLEASE DETACH AT PERFORATION ABOVE

COMSTOCK OIL & GAS, LP
5300 TOWN & COUNTRY BLVD
SUITE 500
FRISCO TX 75034

Check Number 0000520422



Prod Date	Prod Code	Type	Int	Price	MCF Quantity	Value	Gross Deductions	Net	Interest	Paid Int	Value	Owner Deductions	Net Share
Property: TX-333-1007 SHAW UNIT 2 WELL 1 TX Harrison Survey: PACE J R A-585 Block													
05/2014	GAS	R1		4.30	1,436.24	6,178.95		5,689.44	0.00017599	0.00017599	1.09		1.00
							Deduct TXSEV	488.37				Description Texas Severance Tax	0.09
05/2014	PPRO	R1		0.62	2,967.48	1,844.83		1,706.47	0.00017599	0.00017599	0.32		0.30
							Deduct TXSEV	138.36				Description Texas Severance Tax	0.02
06/2014	GAS	R1		4.25	1,030.36	4,374.35		4,027.54	0.00017599	0.00017599	0.77		0.71
							Deduct TXSEV	345.99				Description Texas Severance Tax	0.06
06/2014	PPRO	R1		0.63	2,133.76	1,353.36		1,251.86	0.00017599	0.00017599	0.24		0.22
							Deduct TXSEV	101.50				Description Texas Severance Tax	0.02
Property: TX-333-1008 SHAW UNIT 3 WELL 1 TX Harrison Survey: PACE J R A-585 Block													
05/2014	GAS	R1		4.30	488.70	2,102.48		1,935.92	0.00033558	0.00033558	0.71		0.65
							Deduct TXSEV	166.17				Description Texas Severance Tax	0.06
05/2014	PPRO	R1		0.62	1,009.74	627.74		580.66	0.00033558	0.00033558	0.21		0.19
							Deduct TXSEV	47.08				Description Texas Severance Tax	0.02
06/2014	GAS	R1		4.25	481.65	2,044.83		1,882.71	0.00033558	0.00033558	0.69		0.64
							Deduct TXSEV	161.74				Description Texas Severance Tax	0.05
06/2014	PPRO	R1		0.63	997.43	632.63		585.18	0.00033558	0.00033558	0.21		0.19
							Deduct TXSEV	47.45				Description Texas Severance Tax	0.02
Property: TX-333-1017 SHAW UNIT 1 - T TX Harrison Survey: PACE J R A-585 Block													
05/2014	GAS	R1		4.30	1,005.45	4,325.64		3,982.95	0.00028053	0.00028053	1.21		1.11
							Deduct TXSEV	341.89				Description Texas Severance Tax	0.10

← Owner

Check Date: 08/29/2014

Check Amount → 56.92

EXHIBIT "1"

VALENCE OPERATING COMPANY 600 Rockmead Drive, Suite 200 Kingwood, TX 77339

OWNER NO.

BLYNTHIA NEWHOUSE

CHECK DATE

08/25/2014

CHECK NO.

00704847

Sale Date	Prod	Int	SALES		100% SALES			OWNER INTEREST					
			Price	Quantity	Gross	Taxes	Deduct	Net	Decimal	Gross	Taxes	Deduct	Net
Location: 42536001 CULLEN, J.B. UNIT #1 County: HARRISON State: TX													
05/14	2	R	4.39	227	995.43	69.59	0.00	925.84	0.00012690	0.13	0.01	0.00	0.12
06/14	2	R	4.48	294	1,316.64	92.04	0.00	1,224.60	0.00012690	0.17	0.01	0.00	0.16
Location: 42536002 CULLEN, J.B. UNIT #2 County: HARRISON State: TX													
05/14	2	R	4.39	180	789.33	55.18	0.00	734.15	0.00012690	0.11	0.01	0.00	0.10
06/14	2	R	4.48	189	846.42	59.17	0.00	787.25	0.00012690	0.10	0.01	0.00	0.09
Location: 42536003 CULLEN, J.B. UNIT #3 County: HARRISON State: TX													
05/14	2	R	4.39	3,539	15,519.00	1,084.92	0.00	14,434.08	0.00012690	1.98	0.13	0.00	1.85
05/14	3	R	97.88	38	3,719.33	171.09	0.00	3,548.24	0.00012690	0.47	0.02	0.00	0.45
06/14	2	R	4.48	2,597	11,630.35	813.03	0.00	10,817.32	0.00012690	1.47	0.11	0.00	1.36
06/14	3	R	101.09	34	3,437.13	158.11	0.00	3,279.02	0.00012690	0.43	0.02	0.00	0.41
Location: 42536004 CULLEN, J.B. UNIT #4 County: HARRISON State: TX													
05/14	2	R	4.39	2,016	8,840.43	618.02	0.00	8,222.41	0.00012690	1.11	0.08	0.00	1.03
06/14	2	R	4.48	2,313	10,358.49	724.12	0.00	9,634.37	0.00012690	1.31	0.10	0.00	1.21
Location: 42536005 CULLEN, J.B. UNIT #5 County: HARRISON State: TX													
05/14	2	R	4.39	4,190	18,373.71	1,284.49	0.00	17,089.22	0.00012690	2.33	0.16	0.00	2.17
05/14	3	R	97.88	35	3,425.70	157.58	0.00	3,268.12	0.00012690	0.43	0.02	0.00	0.41
06/14	2	R	4.48	3,305	14,801.04	1,034.68	0.00	13,766.36	0.00012690	1.88	0.13	0.00	1.75

SEE ATTACHED DISTRIBUTION STATEMENT

Int: INTEREST	Prod: PRODUCT	VISIT OUR WEBSITE AT:	OWNER TOTAL:	119.80
W: Working	1: Oil-BBL	www.valenceoperating.com		
R: Royalty	2: Gas-MCF			
O: Override	3: Condensate-BBL			
	4: Plant Prod-BBL			

PLEASE DETACH

THIS CHECK HAS A COLORED BACKGROUND AND CONTAINS MULTIPLE SECURITY FEATURES. SEE BACK FOR DETAILS

VALENCE OPERATING CO.

600 ROCKMEAD #200 PH. 281-359-3659

KINGWOOD, TX 77339-2111

BANK OF AMERICA, N.A.

32-1/1110

704847

OWNER NUMBER

NEW139

PAY

DATE

8/25/2014

VOID AFTER 90 DAYS

CHECK NUMBER

00704847

AMOUNT

\$119.80***

ONE HUNDRED NINETEEN AND 80 / 100 DOLLARS

BLYNTHIA NEWHOUSE

TWO SIGNATURES REQUIRED OVER \$1000

TO
THE
ORDER
OF

⑈ 704847 ⑈ 1110000121 375 049 5205 ⑈

E Mattson

From: E Mattson
Sent: Monday, October 13, 2014 4:52 PM
To: 'Brian McCulliss'
Subject: RE: BK-S 14-13152 Newhouse - Oil Royalties

Thank you for your bid. I will continue to keep you updated.

*Erica Mattson
Lenard E. Schwartz, Trustee
2850 S. Jones Blvd., Suite 1
Las Vegas, Nevada 89146
702-307-2022 ext. 111*

From: Brian McCulliss [<mailto:bpm@mccullissoil.com>]
Sent: Monday, October 13, 2014 4:41 PM
To: E Mattson
Subject: RE: BK-S 14-13152 Newhouse - Oil Royalties

I will go to \$16,000.00. Thank you.

Brian McCulliss



McCulliss Oil & Gas Inc.
Oil & Gas Minerals & Royalties

PO Box 221515
Denver, CO 80222
303-758-9785 office
303-999-1803 cell
303-300-9020 fax
bpm@mccullissoil.com

From: E Mattson [<mailto:EMattson@s-mlaw.com>]
Sent: Friday, October 10, 2014 11:42 AM
To: Brian McCulliss
Subject: RE: BK-S 14-13152 Newhouse - Oil Royalties

Mr. McCulliss,

We received an offer of \$14,750.00 for the estate's interest in the oil royalties. Would you like to increase your bid?

*Erica Mattson
Lenard E. Schwartz, Trustee
2850 S. Jones Blvd., Suite 1
Las Vegas, Nevada 89146
702-307-2022 ext. 111*

From: Brian McCulliss [<mailto:bpm@mccullissoil.com>]
Sent: Friday, October 03, 2014 12:41 AM
To: E Mattson
Subject: RE: BK-S 14-13152 Newhouse - Oil Royalties

Erica,

Thank you for the opportunity to increase my bid. I will go to \$14,600.00. Please keep me informed of any updates.
Thank you.

Brian McCulliss



McCulliss Oil & Gas Inc.
Oil & Gas Minerals & Royalties

PO Box 221515
Denver, CO 80222
303-758-9785 office
303-999-1803 cell
303-300-9020 fax
bpm@mccullissoil.com

From: E Mattson [<mailto:EMattson@s-mlaw.com>]
Sent: Thursday, October 02, 2014 12:43 PM
To: bpm@mccullissoil.com
Subject: BK-S 14-13152 Newhouse - Oil Royalties

Mr. McCulliss,

I would like to notify you that we have received another bid in the estate's interest in Ms. Newhouse's oil rights. The offer received was for \$14,248.00 and we will prepare our motion to sell. If you would like to submit a counter offer, please do so as soon as possible.

Thank you!

*Erica Mattson
Lenard E. Schwartzer, Trustee
2850 S. Jones Blvd., Suite 1
Las Vegas, Nevada 89146
702-307-2022 ext. 111*

Total Control Panel

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To: emattson@s-mlaw.com

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From: bpm@mccullissoil.com

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